HUMAN EVENTS

Vol. XIV, No. 10 Saturday, March 9, 1957 Washington, D. C.

News Section *Printed in Two Sections*

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Revolt Against Spending: The country-wide clamor for cutting the Budget has reached flood tide on Capitol Hill, is wetting bureaucratic feet in the great white office buildings on Constitution Avenue and is even lapping at the door of the White House. Almost every hour, the City News ticker records some new evidence of this remarkable phenomenon.

Three GOP Representatives who, unlike many Northern Democrats, are old tried-and-true economy advocates, brought forth a plan which attracts support like honey for flies. The three — Hiestand (Calif.), Harrison (Nebr.) and Ray (N.Y.) — propose that the House pass a resolution to put a $65 billion ceiling on the Budget (in effect cutting Ike's total by about $7 billion). Whether or not it passes it may turn out to be quite a move in the psychological warfare against spending.

It certainly jarred loose GOP Leader Joe Martin, whose House GOP Policy Committee (30 members) on March 5 unanimously approved a statement calling for a "substantial" reduction in the $72 billion Ike Budget. Joe told reporters he would consider $3 billion "substantial," but that "maybe we might cut more — maybe we can make it $5 billion or $7 billion." Some legislators with an impeccable record for voting in favor of cuts now reply to constituents who had sent letters protesting the Ike Budget, "Write to the White House, that's where such protests ought to go."

Some impressive work — denominated as "excellent" by those who follow fiscal complexities — appears in the special Budget section of the *NAM News* (of the National Association of Manufacturers). That organization suggests over $8 billion in cuts — with an interesting breakdown: something over $4 billion in foreign aid and military appropriations; and a little over $4 billion among domestic agencies. (For copies write *NAM News*, 2 E. 48th St., New York 17, N. Y.)

And here and there individual legislators, not contenting themselves with general statements for economy, are taking stands "where it hurts" — that is, against local attempts from their areas to raid the Federal Treasury. Thus, in Ohio, (a bellwether state in this crusade), Representative Bow (Republican) and Senator Lausche (Democrat) both came out opposing a proposal for a Federal appropriation of $5 million to help pay the cost of a stadium for the Pan-American Athletic Tournament at Cleveland. Lausche said: "The Federal Budget must be cut. I cannot support for Ohio what I would oppose for another state." Some old supporters of these men are already protesting. "It hurts."

Most of this flood of demands for Budget reductions arriving on Capitol Hill is purely spontaneous. However, more instances appear of efforts by local newspapers to spur the drive on. Two weeks ago HUMAN EVENTS mentioned the example of the Omaha *World-Herald*. Now, the Memphis, Tennessee, *Press-Scimitar* is producing results from an editorial on February 22, urging readers to write their Federal legislators to cut the Budget. Five days later, on February 27, the paper said: "Ike's Budget has Tennesseans in an uproar," mentioning the large volume of mail descending on Tennessee members of Congress in Washington "by the bucketsful." Quotes from some of the letters show that the plain folks at home are plain mad at the size of the Budget.

Meanwhile, the "enemy" fights back — very slyly. The New Dealish *Washington Post* reminds Capitol Hill legislators that the 80th (Republican) Congress, which cut big swaths in expenses, suffered defeat in the election of 1948, with the chief economy advocate, Congressman Harold Knutson, losing his seat. This clever reminder — all too true — is designed to make the brave ones on the Hill wonder whether their constituents will continue to back them in the drive.

Former Congressman Howard Buffett, in an article in HUMAN EVENTS on October 1, 1955 ("Pocketbook Patriots") related, out of his own observations from years on Capitol Hill, how special interests in the constituencies knifed courageous Budget cutters of foreign aid appropriations.

Acutely conscious of such hazards, well-wishers of the economy drive are worried. They foresee sabotage by "special interests" (including pressure from the Executive branch). Some remark that only this past week, the Senate okayed $200 million for "aid" to the Middle East. Only — they say — if a strong national organization is formed and goes to work organizing and intelligently directing the genuine mass protest will popular sentiment be able to swamp the deadly work of "special interests."

The economy "inner check" today affects all legislators and threatens to kill all sorts of appropriation bills. For instance: in the Senate, the other day, a subcommittee listened to Senator Lister Hill (D.-Ala.), also known as "handout Hill,"

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ask for $500,000 to train teachers for mentally retarded children. Hill blithely assumed that this bill would draw no opposition. Suddenly, Senator Thurmond (D.-S.C.) burst out, "I am against it. Why can't the states shoulder this expense?" Senator Barry Goldwater enthusiastically interrupted Thurmond to say, "I am 100 per cent with you on that—the Federal Government should not have to pay for this with its present overloaded Budget." Then Senator Allott (R.-Colo.) chimed in, "I'm for states' rights — to pay for such measures. We want to balance and keep down the Federal Budget." Finally Senator Ives (R.-N.Y.): "I'm against it. I come from a rich state, and we pay too much into the Federal treasury. I don't think we should pay for what the small states ought to shoulder themselves." Hill's "handout" lost.

A Capitol stenographer who had heard the colloquy exclaimed, "Whew! Any other year this sort of bleeding heart bill would have gone through like a charm. Economy is sure in the wind."

Not Merely Gossip: What precisely will be the payoff, as a consideration for Israel's withdrawal of forces from Gaza, is a matter of much conjecture along diplomatic row. In this quarter there is little doubt that the payoff has already been arranged. It will be—it is believed—in the form of loans and/or grants; and a "decent" interval will elapse before any move along this line will become visible to the public. Additionally — although there is less certitude about this — it is thought that Egypt too will be rewarded.

● Business friends in New York, who have recently seen General MacArthur, found him more communicative on the subject of politics than he has been for some years. The General made two points: (1) how widely the President has lost the confidence of businessmen (as an executive of Sperry-Rand the General now has a large acquaintanceship in this field), and how dangerous this may prove to the state of the country; MacArthur also expressed keen disappointment that Ike had deserted the sound financial course of his first term. (2) Senator Knowland has demonstrated that he is the only leader on the horizon who can guide the ship of state into calm waters. MacArthur strongly stressed the latter idea and listeners drew the conclusion that the General would give all possible support he could summon to Knowland's candidacy, if the latter should run for President.

● The passage into law of the "right-to-work" bill of the Indiana legislature, banning compulsory unionism, registered a great victory for the forces in the country which seek to reform organized labor. But it also inflicted a stinging defeat on Walter Reuther, the master mind behind the bitter-end fight against "right-to-work" laws in all states. So it is viewed here by labor experts, who incidentally dwell much on the last-minute mass "picketing" of the State House in Indianapolis, an effort to pressure the Governor to veto the "right-to-work" bill.

According to those in the know in labor, this demonstration was inspired as a last resort by strategists the CIO. The latter privately felt quite sure that "right-to-work" law will not (contrary to their ire propaganda) "destroy unions" any more than l the Taft-Hartley Law, another of labor's bugaos. These strategists therefore feared that this fact uld become clear as time rolled around and that y would not be able to get votes for repeal, or to unish" legislators who voted for the bill. For these isons, as popular support for the bill mounted, the or bosses in desperation staged their last "mob monstration," hoping it would intimidate the Govnor. It did not. The moral is that an industrial te, with 600,000 trade union members, can pass a ight-to-work" law.

● Washington has never forgotten Cactus Jack rner, F.D.R.'s first Vice President, and his tart, mely philosophy. This week *U.S. News and World eport* carries an interview with Garner in his Texas me, in which the former Vice President lectures r. Eisenhower on the high Budget. Then, the interewer rather slyly gets around to the following quesn: "In general, what do you think of the idea of ving a soldier as President, Mr. Garner?" The ter replies: "There is one defect that any soldier s: They have no regard for money. They're taught it way at West Point and Annapolis. They're never ight any economy; they're taught to do something, rget about the cost. Now you analyze that, and u'll find that's a fact. So they never consider the st of it. It never has entered their minds at all. It's ing prepared and doing a job — don't make any fference about the cost."

● Senate passage of the Mideast resolution, by the g margin of 72-19, was the result of intensive pressring by the Palace Guard claque, which saw its own estige riding on the issue. One legislator remarked: can't recall an occasion when pressure from the hite House was as great."

oreign Aid: Since last fall's elections, Senators, ngressmen and "prominent citizens" have been pping around the world gathering information to be ed in this year's annual squabble over foreign aid propriations. Now Washington's press galleries e being deluged with printed reports attempting to stify continued massive gifts and loans to foreign untries. For instance, Senator Theodore F. Green, node Island millionaire and now Foreign Relations mmittee chairman, long an inveterate globe-trotter Government travel orders, reports on his survey of frica. Senators Mike Mansfield (D.-Mont.) and burke Hickenlooper (R.-Iowa), not usually consided "kindred spirits" by Washingtonians, agree to e last comma on technical cooperation in the Andes. They're for it.)

The Foreign Relations Committee already has ised a spate of reports by former ambassadors, reearch groups and others it sent scurrying far and ide to make "studies" and "surveys," none of which

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question the principle of sticking with foreign aid forever, provided only we look for no gratitude. The University of Chicago "study," for example, calls "necessary" a "sustained and extended [15-20 years] program of economic aid to underdeveloped countries."

The President's Citizens Advisers on the Mutual Security Program have just added their 36-page report to the aid literature. This is the group headed by Benjamin F. Fairless, and including John L. Lewis, Jesse W. Tapp and others. It concluded that our aid and security programs are proving their worth, but that only through private business can our long-range objectives be realized. For uttering this "absurdity" it was editorially flayed by the *Washington Post*, which has been publishing pleas for bigger aid to India, written by Chester Bowles, once U.S. Ambassador to India and now in effect a Nehru lobbyist here.

Union Clean-up: AFL-CIO President George Meany wryly comments that he is "not surprised" that Secretary of Labor James P. Mitchell should turn thumbs down on Teamsters Union President Dave Beck as U.S. Employee delegate to the International Labor Organization meeting to be held next week in Hamburg, Germany.

Meany thereby leaves the impression that in view of the facts being brought out before the special Senate union racketeering investigating Committee concerning the Teamsters Union, the delegate properly should be someone with a less tarnished record than Beck.

But observers point out that it was only in January that Meany submitted Beck's name to Mitchell as the nominee of the AFL-CIO for the designation. That was the same month the AFL-CIO Executive Council met in Miami Beach to adopt its widely heralded "Ethical Practices Code" for affiliated unions and piously trumpeted its objective of cleaning racketeering out of the union movement.

These same observers point out that Meany knew, long before he made his Beck recommendation, of the type of activities in which Teamsters Union officials have been engaging, not only in the Northwest, but throughout the country. Nevertheless, he nominated the head of that union, himself involved in at least some of its shenanigans, to speak for American organized labor at the I.L.O. meeting.

The conclusion is that, by his actions, Meany casts grave doubt on the sincerity of his claimed desire to clean up the labor union movement.

Los Angeles Education: Mrs. Edith Stafford, a member of the Los Angeles School Board for six years, is up for re-election in city-wide voting on April 2. Opposing her re-election is an organization set up by "liberals" last year called the "Committee for Better Schools," headed by Methodist Bishop Gerald Kennedy.

The contest assumes more than local importance because, say California correspondents, Mrs. Stafford's "crime," in the eyes of the committee, has been to be too staunchly pro-American.

These authenticated Coast reports say she has fought vigorously against infiltration of extreme internationalist or anti-American philosophies into the public schools in Los Angeles, which constitute the second largest school system in the country (only New York City is bigger).

She has aroused the bitter enmity of leftists by two battles in particular.

In 1952, she led a successful fight to oust from Los Angeles public schools a highly controversial textbook on UNESCO; many of the book's original proponents subsequently admitted, after studying it more carefully, that it was heavily biased on the side of transferring much U.S. sovereignty to the U.N. and its affiliates.

Last year, the Ford Foundation's Fund for the Advancement of Education offered a three-year grant of $265,000,000 a year to Los Angeles for a closed-circuit TV educational program in its junior colleges, with the programs also to be furnished by the Fund. Mrs. Stafford, fearing that the proposed TV programming was heavily slanted on the liberal side, voted to refuse the grant; the Fund, in turn, refused to go through with the grant unless its acceptance was unanimous. The programming, since furnished to other cities, has borne out Mrs. Stafford's fears.

Observers say the race will be worth watching as an indication of the strength that can be marshalled for leftist causes by front organizations.

Taxes: Representative Lawrence H. Smith (R.-Wis.), in a public statement to the press, produced figures to emphasize the fact that our so-called progressive system of taxation penalizes the ambitious individual and more productive groups of the population, and that the net gain in revenue in no way justifies the resultant injury to our economy.

To buttress his point, the Wisconsin Republican legislator points out that, of the entire $29.4 billion derived from the individual income tax, only 16 per cent comes from the surtax, which involves everyone with more than $2,000 taxable income. It starts at 2 per cent but progresses rapidly until it finally reaches 71 per cent (making the tax, at its highest rate, 91 per cent of income). Middle income groups and those in the high brackets are severely hit by this graduation system. The remaining $24.7 billion, 84 per cent of the total individual income tax revenue, comes from the basic 20 per cent tax rate.

In other words, said Smith, "millions of taxpayers are unfairly overtaxed for the sake of a relatively small part of the total tax revenue. . . . Our tax system says to the ambitious individual: 'You're free to work hard to advance yourself, but if you succeed, you will have to pay most of it in taxes.' " (For results of this

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kind of taxation in England, see "Fleeing The Welfare State," by Colm Brogan, in Article Section I of this issue.) Because of such a system, Smith pointed out, many businessmen lose their incentive, do not expand and invest further. "So," he concludes, "the high rates are actually more destructive of income than productive of revenue."

Behind the Middle East Facade: Speaking on the floor of the Senate March 1, Senator William E. Jenner (R.-Ind.) disclosed that some of the same men who were involved in the fall of China to communism — the major United States foreign policy disaster of the Cold War — are now serving the State Department in the Middle East. Jenner referred to the testimony of General A. C. Wedemeyer, American commander in China at the close of World War II, that the reports of his four State Department advisers at that time "were strongly slanted in favor of Communist aims, contrary to fundamental American policy and harmful to our fighting ally, the Nationalist government." (For further comment on the conduct of our Foreign Service officers during this period, see "How We Lost China — The Inside Story," in Article Section II of this issue.)

One of Wedemeyer's advisers was John K. Emmerson. Yet today, Emmerson is Counsellor of the Embassy at Beirut, Lebanon, while another of these advisers, Raymond Ludden, is now in the Office of Personnel of the State Department.

Jenner also disclosed that Robert C. Strong, former Consul-General on Formosa, "who was responsible for a mass of erroneous intelligence reports . . . unfriendly to Nationalist China and helpful to the Communists," is now Counsellor of Embassy at Damascus, Syria.

"Is the President," Jenner asked, "relying on the reports of such officials in making plans for defense of the vast Middle East area with the lives of our sons?"

Public vs. Private Power: The relentless "liberal" war against private power boiled over last week into a "civil liberties" controversy — with defenders of free enterprise staging a vigorous counterattack on Federal Power enthusiasts. In its report on two weeks of hearings conducted at the close of the 84th Congress, the Chudoff Subcommittee of the House attacked five Rocky Mountain private power companies for circulating a booklet critical of the Federal power program. The booklet, said the majority report, was an attempt to "brainwash" officials in the Department of the Interior.

In a blistering minority report, dissenting members of the Subcommittee, including Representative Clare E. Hoffman (R.-Mich.), struck back hard at what they termed "a bold attack on . . . the right to disagree," maintaining that private persons and groups have every right to publish their views, and to put them before Government officials.

As this controversy focused attention on the continuing "liberal" effort to discredit private power companies, figures assembled by *The Wall Street Journal* showed that private and local initiative in the field of electric power is far outdistancing similar undertakings by the Federal Government.

". . . according to these figures," commented the Washington *Evening Star*, "private companies and local government agencies in the Pacific Northwest . . . now have approximately 4.6 million kilowatts of hydroelectric power under construction, just completed, or definitely licensed for development, and they are seriously considering projects designed to produce an additional 4 million kilowatts. . . . By way of contrast, all the Federal dams built in the same region in the past 25 years amount to no more than 4.6 million kilowatts."

Exposing Communists: The American Bar Association, dealing a heavy blow to the Communist conspiracy, has declared that Congressional committees have authority to require witnesses to name their Communist associates.

The Bar Association made its opinion known in a "friend of the court" brief filed with the Supreme Court in connection with "the Watkins case." (John Watkins, a UAW organizer who cooperated with Communists in the labor movement, was convicted of contempt of Congress when he refused to name his Communist associates. His appeal is now before the Supreme Court.)

The ABA's brief, filed by Herbert O'Conor, former Democratic Senator from Maryland, stated that "if Congress has the power to inquire into the subject of communism and the Communist party, it has power to identify the individuals who belong to the party . . ."

The impact of this declaration on the Reds, say anti-Communists, can be judged from the irate reaction of the *Daily Worker*. "The Bar Association's leaders," said the *Worker*, "have aligned themselves with this reactionary objective — to keep going an unending chain of political trials and witchhunting."

Civil Rights: Testifying before the House "civil rights" subcommittee last week, Representative John Bell Williams (D.-Miss.) warned the legislators that the proposed "civil rights commission" was a sword that could cut two ways. In the phraseology of the Keating Bill, H.R. 1151, the Commission would investigate "allegations" of discrimination — such as denial of the right to vote, or "unwarranted economic pressures."

While the purpose of this legislation was to "harass" the South, Williams said, such "civil rights" investigations "will not be a one-way street." Citing a host of racial incidents in the North, including the recent "lynching" of a Negro in Boston, Williams warned that "we in the South are ready even now to furnish enough allegations of discrimination to keep the commission busy for the next ten or twelve years . . . we . . . will keep this commission so busy investigating the evils in your own backyards that they will not have time to get South of the Potomac river."

Letter from Mrs. EDITH K. STAFFORD, President of the Los Angeles Board of Education: "HUMAN EVENTS is being read more and more by young people. I give much of the credit for the growing conservatism among the youth of Southern California to your great publication."

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HUMAN EVENTS, 1835 K Street, N.W., Washington 6, D. C., is a weekly newsletter reporting from Washington on politics, business, labor and taxes. It was founded in 1944 by Frank C. Hanighen. Published usually in two sections: a 4-page news section and a 4-page article section. Entered as second class matter at Washington, D. C. Copyright 1957.

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Vol. XIV, No. 10 HUMAN EVENTS March 9, 1957

Article Section I

FLEEING THE WELFARE STATE

A Report from Britain

By COLM BROGAN

A SAMPLE SURVEY recently conducted in the University of Cambridge revealed a remarkable and disturbing state of affairs. Of the students questioned, 38 per cent said either that they were seriously thinking of emigrating as soon as they had completed their course, or else had already firmly decided to do so. Among the women students the proportion was very much higher.

These figures must be taken very much more seriously than the figures for a survey, among the mass of the population, which showed that much the same percentage would like to emigrate "if they could." This can be taken as no more than an expression of vague dissatisfaction. The great majority of those who said they would like to leave knew very well that there was not the faintest chance of the opportunity coming their way, and more than likely they would turn it down if it did come. When they said they would like to leave "if they could," they meant if some benevolent authority did everything for them, including paying their fares and settling them comfortably and securely on the other side. This is not the stuff from which pioneers are made.

But the response of the Cambridge students was something quite different. These young people are among the most intelligent, the most highly educated and the most enterprising in the land. They are perfectly willing to make their own arrangements and take their own risks, and they are under no illusions about life in a strange land. Many of them on the scientific and engineering side have worked in Canada during their long vacations and they are familiar with the disadvantages and possible hardships that emigration might entail. Nevertheless they will go, and go on an informed and realistic decision. (It may interest Americans to know that most of them believe Canada offers better opportunity than the U.S.A.)

The position is serious. Britain is spending large sums on providing the best education for the best brains, and the service of the best brains is urgently and increasingly needed at home. There is a great deal of anxious talk about Britain's lagging behind Russia and the U.S.A. in technical education, and ambitious plans are being put into effect to increase the supply of highly trained scientists and technicians. However, it will be of small advantage to Britain if nearly half of those trained at the public expense immediately take themselves somewhere else and add to the prosperity and progress of some other country.

These young people are different from the mass of the discontented, not only in the fact that they know clearly what emigration means, but also in the fact that they know clearly why they want to emigrate. They are flying from the Welfare State.

THEY ARE FLYING because they feel sure that the Welfare State is here in Britain for good. There might be 30 prosperous constituencies in Britain where a Conservative candidate who declared himself boldly against the Welfare State could still secure election to Parliament, but in every other constituency his opposition would be the equivalent of political suicide. That is why the young people have "voted with their feet," as Lenin put it.

They have strong practical objections to the Welfare State, which is, of course, financed out of crushing taxation. They know from the experience of their fathers that the weight of tax comes most heavily on people like themselves. For example, the level of income at which surtax begins to be paid is the same as it was when the pound was worth three times what it is worth today. As soon as any man begins to make a real advance in his profession, the tax collector steps in to skim off his earnings. At the same time, millions of manual workers have been progressively exempted from paying any income tax at all.

The cost of education is a special grievance. Most students in Britain now go to universities on grants made by the State or a local authority on the basis either of high performance at school or of success in a competitive examination for the number of scholarships available. But there is a means test. If a boy wins a State scholarship worth, say 300 pounds a year, he will get no more than 30 pounds if his father's income exceeds a certain level.

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As a consequence, men known to me have refus promotion in their profession because the higher sala which went with promotion would mean a financ loss: they would be debarred from getting the benef of university scholarships for their sons and daughte This especially embitters the sons and daughters. Th see their own parents living in something like gente poverty to pay for their education, while the parents lower income who get the whole State scholarship a spending money freely and having a good time. O man whose daughter won a more modest scholarsh simply pays the money into her bank so that she c use it to buy clothes for herself. (Students at Lond University have claimed that their grants from pub funds should include 50 pounds a year for 'ente tainment.' They think that the State should pay f their cigarettes and an occasional sherry.)

By contrast, the mass of voters regard a means te on Council housing as an outrage against themselve There is now a large population living in hous built by the local Councils and subsidized both fro local rates and from taxes. When a Council decides pay the subsidy only to those tenants who have a lo income, there is an immediate and angry outcry.

> **The leading Socialist spokesman in Parli ment has openly said that subsidies should l paid to all house tenants, whether they are i need or not. If this is the philosophy that th Labour Party expounds, it is scarcely surprisin that one Council tenant refuses to seek accon modation at an economic rent, even though h can afford to run his own aeroplane.**

The system of taxation, rebates and subsidies worl against the educated and enterprising middle clas Worse still, it is meant to work that way. Althou the job of every man in Britain is becoming increasing dependent on the skill, the training and the willingne to accept responsibility of the vital elite, they recei no sympathy at all from those whose own skill is prim tive, if they have any skill at all. One informed journa ist who wrote about the difficulties of the educate middle class was startled to get a flood of letters fro manual workers. Some of these men expressed then selves as completely indifferent to the woes of th middle class, while many more expressed great pleasu that these superior people with their high and migh airs were having a hard time.

The Welfare State is not only a fiscal and soci machine. It is also a state of mind, and it is that stat of mind more than anything else which is urging th young people of Cambridge (and elsewhere) to see their fortunes abroad. In contemporary Britain it i considered only just that any man whose services t the community are of such value that he earns a high income should be stripped of most of it, not only to provide benefits for others, but also to show that he is really no better than the man whose contribution consists of sitting at a factory bench and pressing a button. Any man who conveys the impression that he is better than any other in any respect is regarded as the enemy of the egalitarian people.

IN THE HEYDAY of Victoria's reign, the man who forged ahead and made a great name and perhaps a great fortune for himself was admired and regarded as one who had made a great personal contribution to the strength and prosperity of all. Today he is regarded with envy and resentment, and it is widely accepted that he has become wealthy only by exploiting the toiling masses.

Much more than the monetary penalties of our fiscal system, it is this envy, this assertion of the superiority of the mediocre, which is driving young people of talent and vigour abroad. They want to go to a country where they can forge ahead without provoking sulky hostility. They want to feel that a life's work of exceptional quality and usefulness will not be held against them. They want to escape from a socially stifling atmosphere, to get away from a country where no exceptional talent is gladly recognized, except the talent of comedians and crooners, boxers and football players. If the draining away of our best brains and training continues to increase, then the mass of the British people will be brought in the end to recognize that while they cannot do without the direction and the services of the elite, the elite can do very well without them. The elite can always move out to some country where envy is not self-righteously disguised as egalitarianism or democracy, or some other cant word which makes a vice a virtue.

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Colm Brogan is a well-known British writer on political and economic subjects. He is the author of *Our New Masters* (reviewed in HUMAN EVENTS, March 10, 1948), a devastating critique of the British Labor Party. Mr. Brogan is celebrated for his wit in formulating brief, and telling, epigrams. Of the Laborite "intellectuals" that gained power in 1946 he has written: "for every two of the horny-handed, there were three of the horny-spectacled."

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Vol. XIV, No. 10 HUMAN EVENTS March 9, 1957

Article Section II

WHY WE LOST CHINA—THE INSIDE STORY

This article is an extract from the fascinating new biography, *Patrick J. Hurley*, by Don Lohbeck (available for $6.50 from the Henry Regnery Co., 20 West Jackson Boulevard, Chicago 4, Ill.). Hurley's varied career has included high-level diplomatic missions to over 20 countries and the cabinet post of Secretary of War under President Hoover. The following episodes relate to Hurley's service as Ambassador to China during World War II.

PAT HURLEY'S PURPOSE in going to China, first as personal representative of the President and later as American Ambassador, was to uphold the political independence and territorial integrity of China — and directives so ordered. But at Yalta, the principles of liberty, self-government and territorial integrity had been abandoned by the United States; the career diplomats (George Atcheson and John Stewart Service) that Hurley had relieved from duty in China because they were undermining the American policy were not reprimanded by the State Department, but were instead promoted to supervisory positions.

Within the State Department in Washington, personnel changes had been taking place among those persons directly concerned with the conduct of Far Eastern Affairs. Joseph Grew had resigned as Under Secretary, to be replaced by Dean Acheson; John Carter Vincent was advanced from Chief of the Division of China Affairs to Director of the Office of Far Eastern Affairs; George Atcheson, who had been relieved from duty at the Embassy in Chungking, was Vincent's Special Assistant; John Stewart Service, recalled from China at Ambassador Hurley's insistence, was in the Personnel Section. Now, in September, 1945, it was announced that George Atcheson and John Stewart Service were being sent to Tokyo to act as diplomatic advisers to General Douglas MacArthur.

This meant more than the fact that two men who had been sent home because of their lack of sympathy with the American policy were being advanced to potentially important positions where they could exercise control over American policy. Of even greater significance, it was an indication of the Administration's attitude toward the whole policy of loyalty to the United States. In Washington, on June 7, 1945, (just a matter of weeks after Hurley demanded that John Service be recalled from China, where he was visiting Communist headquarters in Yenan) the F.B.I. arrested five men and one woman on charges of conspiracy to violate the espionage laws. These six persons were: Philip Jaffe, publisher of a small Communist magazine called *Amerasia* which was used to promote the cause of the Chinese Communists and criticize the Chinese Nationalist Government; Kate Mitchell, editor of *Amerasia;* Mark Gayn, a freelance journalist who specialized on Asiatic affairs; Naval Lieutenant John Roth, who had been a research worker on *Amerasia* and had recently served in Naval Intelligence; Emmanuel Larsen, a specialist in the State Department's China Affairs Division; and John Stewart Service.

For some time, documents labelled "restricted" and "top secret" had been disappearing from the files of the State Department and other Government agencies. More than 1,700 such documents had vanished. Then material from these secret files began appearing in articles in *Amerasia* (in some cases entire documents appeared verbatim), and in articles written by Mark Gayn which appeared in other magazines. When arrested, these persons had some of the secret stolen documents in their possession.

Service was not indicted, and the whole affair was buried under a cloud of secrecy.

THE APPOINTMENT of Service and Atcheson to General MacArthur's staff was of considerably more political importance in China than it was in the United states — it showed plainly, to both Chiang Kai-shek and Mao, what Asia could expect from the State Department and the Administration.

Shortly after his return to Washington, in a meeting with President Truman and Secretary Byrnes, on October 13, 1945, Hurley said that he wanted to resign as Ambassador to China—because he was not receiving proper support for the American policy which he had been sent to China to make effective. Truman and Byrnes both urged Hurley to reconsider, to return to China to finish the job of transition from war to peace in Asia. Concerning the diplomats with whom he had difficulty, Truman said that Hurley "could fire anyone that interfered."

"Why?" Hurley asked, "I only make them stronger by firing them." And he reminded the President that the men who had been relieved from duty in China had all been transferred to positions from which they were able to nullify his efforts "to make effective the policy which Truman *said* he approved for China."

Published weekly at 1835 K Street, N.W., Washington 6, D. C.
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In their several conferences, Pat Hurley again an again asked the Secretary of State for either a publi statement or a written statement of American polic in China, but no such definitive statement was issue

On Monday, November 26, 1945, a series of even united to bring to a climax the conflict between P Hurley and the forces operating within the State Depar ment, between America's traditional policy of suppor ing Chinese independence and the Yalta policy restoring imperialist control over that country:

1.) Secretary of State Byrnes had declared privatel that he would prefer to have an Ambassador in Chin who agreed completely with the Yalta and Potsdar policies.

2.) The Secretary of State had stated to a member c the Chinese delegation to the United Nations that, no that the war was over, he was thinking of giving th Chungking diplomatic post to a "deserving Democrat. When Wang Shih-chieh returned to China from a con ference of the Foreign Ministers of the United Nation he stated that Byrnes had made it known that Hurle would soon be replaced by "a deserving Democrat who would "go along with the present American polic in China."

3.) An article appeared in the Communist *Dail Worker,* based on secret and confidential informatio sent from China by the Ambassador.

Here was a clear indication that it was impossibl to send confidential information to the President o the Secretary of State without the danger of having i turned over to propagandists to be used to defea American policy. What, Hurley asked himself, wa an American's duty in such a situation?

BYRNES TRIED TO PERSUADE the Ambassador not t resign. Byrnes again insisted that both he an the President upheld traditional American policy towar China. But no public announcement or written state ment of policy could be procured, so Hurley hande the Secretary his letter of resignation:

My dear Mr. President: I hereby resign as Ambassador t China. In tendering my resignation I wish you to know tha I am in agreement with the foreign policy outlined by you i your recent Navy Day Address.

In the higher echelon of our policy-making officials, Ameri can objectives were nearly always clearly defined. The aston ishing feature of our foreign policy is the wide discrepanc between our announced policies and our conduct of inter national relations.

The professional foreign service men sided with the Chines Communist armed party and the imperialistic bloc of nation whose policy it was to keep China divided against herself.

The Hydra-headed direction and confusion of our foreig policy in Washington during the late war is chargeable to the weakness of our Foreign Service. If our Foreign Service ha been capable of understanding and sympathetic effectuation o our announced war aims, it would not have failed so completel to couple our logistical strength with our foreign policy t obtain commitments to the principles for which we claimed t be fighting from the nations to which we gave the strength o our productivity and manpower.

America's economic strength has been used all over th world to defeat American policies and interests. This is charge able to a weak American Foreign Service.

By his dramatic method of resigning, Ambassador Hurley made a bold attempt to focus the glaring light of publicity on the shadows of subversion within the gloomy State Department building, and thereby to force a thorough investigation. The only solution to the situation, the only effective solution, would be a nonpartisan Congressional investigation of the entire foreign policy dilemma — an investigation that would have the support of both political parties, the President and the Secretary of State.

Realizing that merely his own word-of-mouth charges against the career diplomats would not be enough to overcome the inertia of the Administration, and force the Senate to authorize an investigation of the nation's foreign policy, Hurley presented to the Committee on Foreign Relations a list of 13 classified and encoded documents that would prove his accusation of anti-American influence within the Department of State.

The documents were furnished to the Senate Committee by the State Department — but with the statement that it would be detrimental to national security if they were released to the public. So Pat Hurley was denied the use of these reports and letters, some of which he had written himself, and all of which had been among the *Amerasia* papers which had been given or sold to the Communists and used by them. He was denied the use of the evidence that would have proved his charges and denied access to these documents by the very persons who would have been shown by them to be guilty. Of this action, Hurley says, "I say that these secret documents are available to all who oppose the principles that have made America great. They are available to all who favor Communism, imperialism, and all forms of totalitarianism, but none of the *Amerasia* papers are available to the American people."

The proposed investigation died, stillborn — and when, on December 28, Secretary of State James Byrnes returned from the Foreign Minister's Conference in Moscow (where, as President Truman admitted, "we gained only an empty promise of further talks"), Pat Hurley had been so discredited — "plowed-under" was his own description — that the press services refused to print one word of a statement that he issued concerning the Moscow Conference.

To his countrymen, Pat Hurley could have asked, as did the Apostle Paul: "Am I therefore become your enemy because I tell you the truth?"

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HUMAN EVENTS was founded in 1944 by Frank C. Hanighen. It is published weekly at 1835 K Street, N.W., Washington 6, D. C., and reports from Washington on politics, business, labor and taxes. It is usually published in two parts: a 4-page news section and a 4-page article. $10 per year.

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